

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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CONGRESS SUMMARY

Labor Bill to Come Up on December 13th—Slow Progress on Farm Measure

The second measure on the President's agenda for the special session of Congress moved forward during the past week, when shortly after the House convened on Thursday, the 218th House member signed the motion to discharge the Rules Committee from its consideration of a resolution to provide for House action on the Black-Connery wage and hour bill (S. 2475). In the meantime the House and Senate continued to debate the general farm bills, and Senators O'Mahoney and Borah jointly introduced a new federal corporation licensing bill.

The 218th signature, representing a majority of the House membership, was appended to the petition while the House was proceeding with the first week of debate on its general farm bill. Three days had been spent in general debate, and on Thursday the House began to consider amendments under the five-minute rule. The first amendment of general interest to be adopted was a provision sponsored by Representative Boileau of Wisconsin and backed by the dairy industry, which would limit the use of wheat, corn, tobacco, cotton or rice lands shifted to soil-conserving crops (under the benefit payments of the Soil Conservation and Domestic Allotment Act) to the production of agricultural products to be consumed on the farm and not for market. The term "for market" in the Boileau amendment "means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged or given away".

General debate on the Pope-McGill farm bill continued for a second week in the Senate. Majority Leader Barkley several times urged the Senate to hasten the general debate and begin consideration of the many amendments lying on the clerk's desk.

House action on the wage and hour bill is now scheduled for December 13th. Under House rules "on the second and fourth Mondays of each month, except during the last six days of any session of Congress, immediately after the approval of the Journal, any member who signed a motion to discharge which has been on the Calendar at least seven days prior thereto, and seeks recognition, shall be recognized for the purpose of calling up the motion, and the House shall proceed to its consideration." If the motion to discharge the Committee on Rules prevails, the House will immediately proceed to the adoption of rules to govern the consideration of the bill and debate on the measure will then begin.

There is no indication that the Rules Committee will change its attitude prior to December 13th, but should such change occur the wage and hour bill could be brought before the House immediately after action is completed on the farm bill.

The O'Mahoney-Borah licensing bill (S. 3072) would increase the Federal Trade Commission from five to nine com-

missioners and directs them to make recommendations to Congress for the stabilization of the basic industries, to call an industrial conference, and when they find that abuses in the form of low wages exist, to recommend to Congress minimum wage legislation. Under the licensing provisions of the bill each corporation, association, trust, joint-stock company, limited partnership, joint venture, etc., engaged in commerce would be required to secure a license from the Federal Trade Commission after filing with the Commission a complete statement of its corporate organization and financial status, as well as a certificate of its intention to abide by all acts of Congress. The Commission is authorized to deny a license to a corporation violating the antitrust laws.

The bill provides that every license issued shall provide that no female employee shall be discriminated against as to rates of pay or in rights granted or in any other manner; that no child labor shall be employed (defined as 16 years of age for non-hazardous occupations and 18 years of age in hazardous occupations or between the hours of 7 p. m. and 7 a. m.); that employees shall have the right to self-organize and to bargain collectively; and that dishonest or fraudulent trade practices or unfair methods of competition may be prohibited by the Commission.

For the protection of investors the bill also prohibits certain corporate practices and makes special provisions to safeguard the interests of the small stockholder.

RETURNS ON QUARTERLY BASIS

Change in Social Security Tax and Information Reports Effective January 1st

Beginning January 1, 1938, canners will be required to file quarterly combined Tax and Information Returns under Title VIII of the Federal Social Security Act, instead of the monthly tax and semi-annual information returns now required, the Commissioner of Internal Revenue recently announced in T. D. 4778, which amends various provisions of Regulations 91.

It will be recalled that Title VIII of the Federal Act imposes taxes on every canner who employs one or more persons, and similar taxes on his employees, in connection with the Federal Old-Age Benefits program. Regulations 91, a copy of which was sent to every canner by the Association, governs the collection of those taxes. Under these Regulations in their present form, every canner is required to file a monthly Tax Return on Form SS-1 showing the total taxable wages paid during the month, and the tax which is due on these wages. In addition, he was required to file an Information Return on Form SS-2 and SS-2a for the six months period ending June 30, 1937, showing the total taxable wages paid to all employees, and the taxable wages paid to each individual employee, during this period.

T. D. 4778 completely revises this procedure. Monthly Tax Returns on Form SS-1 for the months of November and

December, 1937, are still required, and the canner must file an Information Return on Form SS-2 and SS-2a for the six months period ending December 31, 1937. In 1938 and subsequent calendar years, however, the Tax and Information Returns will be combined, and the canner will file his return on a single, new form, *Form SS-1a*, which must be filed quarterly. Copies of this new form have not yet been released, but the amended Regulations indicate that it will contain all the information now given on the separate old forms SS-1, SS-2, and SS-2a, namely, the total taxable wages paid during the period covered by the return, the amount of tax due on these wages, and the taxable wages paid to each individual employee during the period. In addition, the return must show the *identification number* of the employer and the *account number* of each employee to whom taxable wages were paid during the period.

The first of these combined returns on the new form SS-1a will cover the quarter ending March 31, 1938 (January, February and March, 1938), and must be filed with the local Collector of Internal Revenue on or before April 30, 1938. Thereafter, these returns must be filed quarterly and will be due on or before the last day of the month following the close of the quarter.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

	Week ending—		Season total to—	
	Nov. 27 1936	Nov. 27 1937	Nov. 20 1937	Nov. 27 1937
VEGETABLES				
Beans, snap and lima.	305	261	238	9,912
Tomatoes.....	177	126	142	25,395
Green peas.....	210	147	132	8,036
Spinach.....	207	196	133	646
Others:				
Domestic, competing directly.....	2,173	2,388	2,177	78,784
Imports competing indirectly.....	51	82	105	656
FRUITS				
Citrus, domestic.....	3,623	3,323	4,039	22,312
Imports.....	0	56	2	95
Others, domestic.....	317	858	1,492	48,924

Half Million to Advertise Canned Salmon

In their cooperative advertising campaign for 1938, the salmon canners will spend \$500,000 or more to promote the sale of their product. This is double the amount spent in 1937 and will represent the largest advertising and merchandising promotion ever undertaken to increase the sale of canned salmon. It will provide not only for the use of more newspaper and magazine space, but also for radio and outdoor advertising. Trade paper advertising and direct mailings to the trade will also be increased.

The big drive of the entire campaign will begin early in Lent with National Canned Salmon Week, the date for which will be March 4th to 12th, inclusive.

The complete details of the campaign, it is expected, will be announced at the time of the N. C. A. annual convention.

Employment and Wholesale Prices

The following indexes taken from the published reports of the Bureau of Labor Statistics indicate the recent changes in wholesale prices and employment and payrolls. For employment and payrolls, they are based on the average for 1923-25 as 100 per cent, while for wholesale prices 1926 is taken as 100 per cent.

	Employment			Payrolls		
	Oct. 1937	Sept. 1937	Oct. 1936	Oct. 1937	Sept. 1937	Oct. 1936
All industries...	100.4	102.1	96.7	100.2	100.1	89.0
Canning.....	187.2	311.5	197.3	188.3	307.1	179.2

	Wholesale prices				
	Nov. 20 1937	Nov. 13 1937	Nov. 21 1936	Nov. 23 1935	Nov. 24 1934
All commodities..	82.9	83.2	82.4	80.6	76.3
All foods.....	83.2	83.6	84.5	85.8	75.0

Ozark Canners to Meet January 13th and 14th

The annual convention of the Ozark Canners Association, it is announced, will be held on Thursday and Friday, January 13th and 14th, at the Colonial Hotel at Springfield, Missouri.

Virginia Canners Meet February 23rd and 24th

The Virginia Canners Association, it is announced, will hold its annual meeting at Roanoke, Virginia, on February 23rd and 24th.

Australian Canned Fruit Exports

Shipments of canned fruit from Australia to September 30th of this year have been about 50 per cent greater than in the corresponding period of 1937, according to the American trade commissioner at Sydney. Shipments to the end of September, 1937, as compared with the corresponding period of the preceding year were as follows:

	1936	1937
	Cases	Cases
Apricots.....	153,409	111,903
Peaches.....	523,891	740,262
Pears.....	354,677	716,528
Fruit salad.....	4,159	5,541
Pineapple.....	14,520	30,660
Total.....	1,050,656	1,604,894

Regional Hearings on Rate Increase

Regional hearings culminating in a final hearing in Washington on February 7th will be held by the Interstate Commerce Commission to receive evidence from shippers on the proposal for a 15 per cent horizontal increase in railroad freight rates. The Commissioner announced on December 2nd that these regional hearings will be held on the following dates: January 4th, Washington (passenger rates); January 10th, Atlanta; January 11th, Portland, Oreg., and Los Angeles; January 17th, Salt Lake City and New Orleans; January 25th, Chicago; and February 7th, Washington.

CANNED FOOD EXPORTS AND IMPORTS

During the month of October, 1937, as compared with the same month last year, there were increases in exports of canned meats, vegetables, milk, and fruits, and a decrease in fish. In the import trade, there were increases in canned tuna, crab meat, miscellaneous fish, mushrooms, and pineapple from the Philippines. Imports of beef, sardines, anchovies, tomatoes and tomato paste, and dutiable pineapple declined. The following table furnishes detailed figures:

EXPORTS	October, 1936		October, 1937		Jan.-Oct., 1936		Jan.-Oct., 1937	
	Pounds	Value	Pounds	Value	Pounds	Value	Pounds	Value
Canned meats, total...	1,014,423	\$337,379	1,096,808	\$343,630	10,130,505	\$3,095,931	11,874,269	\$3,432,830
Beef, corned, roast, boiled, hash, hamburger...	161,123	52,052	190,204	28,878	1,572,219	472,230	706,616	153,908
Beef, other...			146,306	56,985			1,696,698	578,255
Pork...	653,693	230,346	594,833	206,758	6,132,822	2,073,346	6,007,041	2,047,830
Sausage...	88,264	24,494	92,972	36,901	934,330	254,505	1,266,333	363,595
Other...	111,343	30,487	72,493	14,108	1,491,134	295,850	2,197,581	289,242
Canned vegetables, total	3,368,047	337,973	4,578,389	404,956	32,715,818	3,373,734	36,464,465	3,727,332
Asparagus...	1,176,373	175,926	1,256,243	181,453	15,702,753	2,122,208	14,790,880	2,130,554
Baked beans and pork and beans...	502,768	26,481	583,661	30,003	4,438,943	236,237	5,106,692	273,432
Corn...	309,008	26,253	426,329	33,227	1,755,978	134,000	1,813,487	142,084
Peas...	349,311	26,899	368,562	29,647	2,625,536	205,750	3,411,160	259,011
Soups...	297,975	27,825	243,046	22,911	2,300,481	232,019	2,405,959	235,000
Tomatoes...			292,038	15,119			1,499,619	89,228
Tomato paste...	260,846	18,027	530,301	21,169	1,948,531	141,884	1,343,078	97,967
Tomato juice...			409,410	28,241			2,954,789	213,714
Other...	471,766	36,562	468,799	43,186	3,943,596	301,363	3,138,801	286,342
Condensed milk...	93,165	12,433	1,142,002	143,196	2,053,036	239,249	6,378,367	773,790
Evaporated milk...	1,632,958	123,791	1,873,505	137,369	21,073,012	1,551,298	18,919,526	1,374,728
Canned fruits, total...	29,158,271	2,247,807	27,618,782	2,285,415	249,143,223	18,345,884	239,098,223	18,681,941
Apples and apple sauce...	3,523,634	205,019	2,551,307	110,760	13,521,428	628,915	10,322,330	480,431
Apricots...	1,722,378	129,048	2,046,489	160,267	23,376,101	1,703,389	20,201,680	1,567,126
Berries, other...	182,712	21,820	94,895	15,318	1,070,590	123,008	774,567	95,950
Cherries...	217,299	24,480	357,017	38,104	1,776,680	184,304	1,641,103	190,405
Fruits for salad...	4,082,341	433,425	4,447,589	508,060	29,954,404	3,155,196	33,663,809	3,762,251
Grapefruit...	219,272	13,918	290,511	17,651	23,771,368	1,468,863	28,303,825	1,494,723
Loganberries...	217,175	17,127	69,539	6,206	3,813,558	281,954	874,045	76,090
Peaches...	6,361,192	459,868	6,548,579	508,888	67,744,001	4,561,844	54,005,248	4,131,475
Pears...	8,120,804	589,916	7,821,884	588,111	56,373,996	4,006,253	57,428,174	4,140,158
Pineapple...	3,839,868	295,868	2,555,925	253,408	23,537,794	1,875,491	26,446,805	2,240,048
Prunes...			207,187	20,205			1,037,804	92,637
Other...	671,596	57,318	627,860	58,437	4,203,303	356,667	4,398,833	410,647
Canned fish, total...	15,691,966	1,893,205	10,864,437	1,364,688	85,130,418	9,527,418	79,723,657	9,445,865
Mackerel...	169,720	9,587	46,127	3,275	781,440	44,053	501,856	33,262
Salmon...	8,027,512	1,317,891	3,937,838	759,108	38,365,202	6,322,867	33,541,414	5,878,939
Sardines...	6,553,725	404,872	5,721,980	376,306	41,082,331	2,383,378	41,531,283	2,751,982
Shrimp...	845,051	145,850	968,193	202,001	3,513,722	559,627	3,001,386	577,481
Shellfish, other...	69,001	10,248	41,338	9,156	1,042,828	164,600	789,083	140,945
Other...	26,957	4,757	148,961	14,842	344,895	52,893	358,635	63,256
IMPORTS								
Canned beef...	9,001,909	825,949	7,435,311	805,768	82,427,156	7,927,238	77,763,315	8,064,271
Condensed and evaporated milk...	297,298	13,448	127,283	5,925	1,825,289	78,749	1,322,847	59,076
Canned fish in oil:								
Sardines...	3,706,817	477,973	2,258,518	294,704	30,522,654	3,915,192	24,119,492	3,202,464
Anchovies...	348,891	107,735	72,464	29,792	2,042,911	702,030	1,730,002	644,966
Tuna...	161,137	26,595	389,818	76,840	6,667,602	1,067,662	10,552,296	1,937,318
Other...	75,290	18,812	44,292	11,846	616,976	168,260	696,642	188,107
Canned shellfish:								
Crab meat...	584,737	197,930	793,531	249,492	8,405,325	2,706,261	10,464,151	3,420,261
Clams and oysters...	143,177	14,565	119,082	19,800	1,182,376	240,453	810,384	157,403
Lobsters...	72,515	51,997	107,143	58,531	648,092	362,064	741,025	373,599
Other canned fish...	2,013,879	167,278	2,493,812	193,777	16,829,053	1,282,288	20,328,892	1,511,545
Canned vegetables:								
Peas...	105,120	15,976	34,494	4,378	379,393	44,946	271,788	25,938
Mushrooms...	33,898	10,892	95,008	23,433	362,035	116,119	714,970	206,106
Tomatoes...	8,293,727	318,449	6,956,451	287,979	46,907,653	1,818,294	41,041,518	1,652,074
Tomato paste and sauce...	1,235,963	94,952	801,584	57,121	7,390,915	656,735	7,421,008	540,174
Other...	34,063	2,253	26,202	1,593	241,178	14,084	179,830	11,064
Canned pineapple, dutiable...	2,383,869	119,855	2,116,118	100,543	9,562,977	480,743	15,994,806	821,730
Philippine Islands, free...	1,263,000	62,310	2,689,720	144,569	8,156,240	340,950	22,767,801	1,091,935

PRAISES HOME ECONOMICS WORK

British Journal Compliments Association on Literature for Consumer

In its comment upon the food conference held on October 21st at Birmingham, England, during the Imperial Fruit Show and Canners' Exhibition, the British trade journal *Food* refers in quite complimentary terms to the work of the Home Economics Division of the National Canners Association. Discussing an address made at the conference on the problem of educating the consumer, the journal stated:

"The whole of the ground could have been more efficiently covered had somebody been commissioned to review recent American work, particularly the popular leaflets put forward to the general public during the past year or so by the National Canners Association; in fact, it might well pay the canners in this country to acquire a library of the material being turned out by that Association. They are now meeting many of the problems that the American industry solved years ago.

"Several speakers referred to the ignorance of the housewife of the number of foods available in cans, whereas a recent publication in the Association's Home Economics Section, entitled 'Getting an Adequate Diet by Use of Canned Foods' has a table comparing various groups of foods and showing the raw foods that are available on the market, compared with the varieties of canned foods. Here they cover fruits, non-starchy vegetables, vegetables rich in protein, dairy products, animal and fish foods rich in protein, foods rich in sugar, foods rich in starch, and foods rich in fats, together with a full table of food combinations in cans. On the 'turnover' of the table is a short general summary in everyday language of the results of nutritional experiments, one of the more important points made being in regard to the use of canned foods by exploring expeditions. Another publication, entitled 'What to Have—Any Day, Any Meal, Any Course', sets out the week's menus, and below in a corresponding table is given the size and number of cans of any product that the menu requires. The work of the American Home Economics Section should be more generally known in this country."

BASIS OF SPECIFICATIONS

Objective Tests Found Essential by Experience of Standards Bureau

A booklet recently issued by the National Bureau of Standards describing the services of that Bureau to the consumer contains an interesting statement of the manner in which these specifications are arrived at and the requirements of such specifications. The broad experience of the Bureau of Standards in directing the work of the Federal Specifications Executive Committee confirms the experience of the canning industry with respect to the principles on which standards and specifications must be based, that is, such specifications must be based on objective tests and must be "free from clauses which require an expression of opinion by the inspector." The following is quoted from the Bureau of Standards' statement:

"In reviewing the specifications as they come from these technical committees, it is interesting to observe that often

the action relates to the revision of some existing specification. Purchase specifications are not static in character but change frequently to take advantage of improvement in the quality of products, or even to initiate such improvement. The revisions result in a steady movement forward towards products of better quality, which through the competition afforded by the specification are usually secured at no increase in price.

"The Federal government tests goods when they are delivered to make sure that the requirements of the specification have been met. Inasmuch as a large part of the Federal purchases (excluding foods) are tested at the National Bureau of Standards, the Bureau has had an unusual opportunity to observe how buying under specifications works out in practice.

"Experience has shown that in order for a specification to be satisfactory it must have certain qualities. (1) It must be definite in character. It must be free from clauses which require an expression of opinion by the inspector; (2) it must be limited to the essential qualities of the product under consideration. The specification of unessential qualities may increase the cost of the product and certainly increases the time required for testing; (3) the specified qualities must all be capable of measurement; and (4) the specification must be supported by definite test methods, so that no quibble may arise regarding the way in which the tests are to be carried out.

"It will be seen, therefore, that a satisfactory specification is not easy to prepare. The really essential qualities of a product cannot be determined from mere inspection. Laboratory research is necessary which sometimes involves months or even years of work. The method used in testing must likewise be developed with much care."

Copies of the booklet entitled "Services of the National Bureau of Standards to the Consumer" are available upon application to the Bureau in Washington.

British Receipts of Canned Fruits

Arrivals of canned fruits at the principal United Kingdom ports in the four weeks ended October 30th totaled 894,900 cases, an increase of 81,000 cases on the total for the four preceding weeks, according to the American commercial attache at London. In the corresponding period of 1936 arrivals were 170,700 cases larger. As compared with the four preceding weeks, peaches, pears and fruit salad arrived in larger quantities but consignments of pineapples and apricots were substantially reduced.

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